

China's Foreign Policy Experiment in South Sudan

China, traditionally cautious about intervening in other countries, is playing the unprecedented role of peacebuilder in South Sudan. This experience could serve as a trial run for a more proactive global role, but Beijing is still challenged by limitations in its experience, expertise and diplomatic staff.

) [Download](#) [PDF](#) [Full](#)



[Report \(en\)](#)

Executive Summary

China's longstanding principle of non-interference in other states' internal affairs is evolving with its growing global footprint. As Chinese overseas investment and business links grow in scope and depth, Beijing faces increasing threats to its citizens, economic interests and international reputation. That, in turn, has confronted China with the inherent limitations of its traditional hands-off foreign policy posture. How it responds over time will have a profound impact on Beijing's international role. The most prominent test case appears to be Africa and, within the continent, South Sudan, where Chinese measures to protect its citizens and economic interests, coupled

with its support for an end to the war and pursuit of humanitarian objectives, seem a calculated trial run for a more proactive global role.

China first experimented with deeper involvement in Sudan in response to powerful international criticism (culminating in calls to boycott the 2008 Beijing Olympics) of its support for Khartoum, which was fighting a brutal counter-insurgency campaign in Darfur. Using its influence with the Sudanese government and in the UN Security Council, China helped ensure deployment of UN peacekeepers to Darfur in 2008. Later, when Libya's civil war erupted in 2012, China's evacuation of its citizens generated national pride and increased both its people's and its investors' expectations about Beijing's global profile. In both instances, China extended the boundaries of its time-honoured diplomacy, suggesting growing willingness to take action when its interests are threatened.

When South Sudan's civil war broke out in late 2013, Chinese advocates of a more flexible interpretation of the non-intervention policy saw an opportunity to try new approaches to protect their nation's interests. Several factors were at play. Huge investments made the state-owned China National Petroleum Corporation (CNPC) both an economic and political actor. At the same time, China's interests were aligned with those of others – mediators and Western powers – seeking to end the conflict. Working together with the Horn of Africa's regional body – the Intergovernmental Authority on Development (IGAD), charged with mediating South Sudan's peace process – and Western actors, Chinese policymakers believed they could intervene constructively while managing reputational risks.

This was a step beyond its traditional approach: Beijing could claim broad adherence to the non-interference principle even as

it used its influence to bring warring parties together and bridge differences between Western actors and South Sudanese leaders. It engaged in the peace process held in Ethiopia, hosted discreet talks among warring factions in Sudan, shaped UN Security Council action, sent peacekeepers to the UN peacekeeping mission in South Sudan (UNMISS) and joined the August 2015 peace agreement oversight body.

“This is a crucial time for peacemaking in South Sudan and a crucial time for China to test its newfound role. It’s important to get both efforts right.

In short, China might still oppose interference in others’ affairs, but its definition has become more elastic. It continues to draw a line at intruding on matters of domestic governance; opposes regime change or unilateral military intervention; and believes that showing respect, rather than exerting pressure or inflicting punishment, is how to elicit cooperation and improvement in governance. Having itself been a victim of sanctions and public opprobrium, it favours more discreet persuasion. But direct involvement can be justified when civil conflicts cross borders, threaten regional security and stability or create large humanitarian crises, and when regional and local authorities and the UN have granted their imprimatur. In such cases, China tends to support political dialogue without imposing outcomes, save when those directly relate to the safety of its citizens or investments.

If China’s steps are tentative, there is good reason. It is aware of its newcomer status to international peace and security efforts, particularly via multilateral institutions, and is careful not to overreach. It is actively learning from its own experiences and the successes and missteps of other would-be peacemakers. Its diplomatic corps is not yet sufficiently staffed or trained. But its considerable economic and political influence mean that,

when it steps in, it inevitably brings leverage to the table that traditional mediation efforts – whether in South Sudan or elsewhere – sometimes lack.

Despite differences in approach, so far collaborating in South Sudan has benefited China, Western countries, their African partners and the South Sudanese people. They should continue along this path. This is a crucial time for peacemaking in South Sudan and a crucial time for China to test its newfound role. It's important to get both efforts right.

Beijing/Nairobi/Juba/Brussels, 10 July 2017

I. Introduction

China's involvement with Sudan's southern region began when it forged a partnership with Khartoum to develop its oil industry in the late 1990s. For much of the previous decade the West had worked to isolate the Sudanese government for human rights abuses and support for terrorism.

U.S. sanctions, and the country's prolonged civil wars (1955-1972 and 1983-2005) – fought in the vicinity of major oil deposits, mostly in the south – deterred investors.

In March 1997, the state-owned China National Petroleum Corporation (CNPC) and a consortium of mostly Asian oil companies signed an oil development deal with the government.

Then new to overseas investment and operations and less daunted by security and political risks than most companies, CNPC obtained concessions for largely untapped oil reserves with limited competition. Other Chinese companies followed, leading to closer bilateral political and diplomatic ties.

Khartoum's enemies, particularly the Sudan People's Liberation Movement/Army (SPLM/A) fighting the government in the South, said China was enabling an autocratic regime and tied the Chinese-financed oil investments to mass displacement, gross human rights violations and environmental degradation.

The government sought to prevent Chinese contact with Southern rebels, and Beijing largely obliged.

“Keen to tap into an underdeveloped market with, at the time, few competitors, Chinese nationals and companies flocked to South Sudan after it achieved formal independence in July 2011.

The 2005 Comprehensive Peace Agreement (CPA), which ended the Second Sudanese Civil War and paved the way for the South's independence, dramatically changed the situation.

Chinese businesses trickled into the South's capital, Juba, soon after the CPA was signed, and, unbeknownst to Khartoum, the China National Petroleum Corporation surreptitiously dispatched employees to learn more about the new government. It took the Chinese government longer to adjust. Salva Kiir, then Sudan's first vice president and now South Sudan's president, bluntly reminded Chinese leaders during his 2007 visit to Beijing that most oil fields lie in the South and the CPA guaranteed its right to secede. Beijing opened a consulate in Juba the following year.

Keen to tap into an underdeveloped market with, at the time, few competitors, Chinese nationals and companies flocked to South Sudan after it achieved formal independence in July 2011. But the region soon proved volatile and risky for businesses.

In January 2012, Juba shut down oil p'roduction after negotiations over pipeline fees with Khartoum deadlocked. Production did not restart until April 2013. Civil war broke out in December that year and disrupted production again. Oil workers had to find shelter in UN bases until companies could airlift them to safety. Chinese nationals scrambled to flee the war zone; their shops were looted and business projects halted. Beijing made the unprecedented decision to step in, with three related aims: (1) protect Chinese citizens and economic interests; (2) support an end to the war; and (3) serve humanitarian objectives.

Although this was an emergency response, it also became a calculated trial run for a more proactive role in step with China's expanding overseas footprint and international stature.

This report begins with a review of the evolution of China's non-interference principle. It analyses China's motivation, objectives and methods for supporting the South Sudan peace process, as well as its interaction with warring parties and mediators. It studies how China – a relatively new, albeit influential arrival to international peace processes – reinforces, complements, or contradicts traditional diplomatic approaches. It also analyses lessons from the South Sudan experience about China's evolving understanding of its role in the world and its interpretation of non-interference. This report is primarily based on interviews with policymakers, diplomats, company executives and academics in Beijing, Shanghai, Juba, Addis Ababa, Nairobi and Washington. Many requested that their names be withheld.

II. Evolution of Non-interference

China's proactive approach to South Sudan appears to be a significant departure from its longstanding principle of non-interference.

In fact, despite official rhetoric suggesting an unchanging doctrine, China's interpretation of non-interference has evolved in a way that mirrors that of its definition of national interests and objectives. Even as the theoretical debate continues, Beijing has charted a middle path maintaining the broad non-interference principle while stretching its interpretation and experimenting with various ways of applying it.

A. China Goes Out

Beginning in the 1990s, China became rapidly integrated into the world economy. In 1996, then-President Jiang Zemin first called for companies to "Go Out" and invest; in 1999, the Communist Party of China (CPC) formally adopted the "Go Out" strategy, supported by state financial institutions.

Annual overseas direct investment grew from \$2.7 billion in 2002 to \$170.11 billion in 2016. In Africa, Chinese direct investment grew from \$1 billion in 2004 to \$24.5 billion in 2013. Although the over-stretched foreign ministry has no exact tally, the number of citizens residing abroad is believed to be about five million and rising, including some two million in Africa.

Driven by energy needs and backed by the state, national oil companies led the "Go Out" march. Because the most readily accessible oil deposits already had been exploited, Chinese companies often ended up in fragile states, taking on political and security risks to outflank competition from better funded, better equipped, more experienced – but also more cautious – Western oil majors. Mining and construction companies joined

in, likewise often operating in underdeveloped and unstable regions.

Even so, when overseas interests were in jeopardy, “rather than trying to influence outcomes in a crisis overseas, Beijing preferred withdrawal”.

From 2006 to 2011, China conducted ten large-scale evacuations of nationals from foreign countries due to riots, wars or natural disasters, typically with minimum military participation. The choice to withdraw rather than intervene was dictated by both principle and pragmatism. A former special representative for African affairs said, “Interference has to be backed up with capability. Although China was a big power, its capability to project power was not sufficient”.

B. Darfur: “Cleaning up the Mess”

China’s initially reluctant engagement with the Sudanese government over the Darfur war represented an early and notable departure from non-intervention and toward engagement with multilateral peace and security efforts.

In 2003, Darfur rebels took up arms against the Sudanese government. Khartoum and allied militia groups responded with a brutal counter-insurgency campaign.

Beijing’s close economic and political ties with Khartoum, particularly via the oil industry, led to Western accusations that it was bankrolling and protecting a genocidal regime. Activists called for a boycott of the 2008 Beijing Olympics, China’s purported coming-of-age show. Denying any responsibility for the Darfur war, yet fearing a public relations crisis, Beijing sought to “clean up the mess”. In May 2007, it appointed Liu Guijin, a seasoned diplomat, as its special representative for African affairs and the Darfur issue.

In 2007, through public statements and private messaging, Beijing persuaded Sudanese President Omar al-Bashir to accept UN peacekeepers, hinting that Khartoum's obstinacy could cost it China's support at the UN.

Chinese diplomats helped broker agreement for an African Union/UN hybrid mission with peacekeepers from developing nations to allay Bashir's fear that Western forces would be used in the service of regime change. After the International Criminal Court (ICC) ordered Bashir's arrest in March 2009, the envoy assured him: "China did not support ICC's decision" but also advised him not to expel humanitarians or condone violent attacks against Westerners.

During the 2005 CPA's implementation, Beijing also supported negotiations over the division of oil revenues between Khartoum and the Southern Sudan regional government.

China acted as an influential party at the table, even as it shied away from full-fledged mediation.

In the process, Beijing accumulated experience, gained regional and international players' trust and built up capability and confidence in mediation, paving the way for its later engagement in South Sudan.

C. Libya: Catalyst for Change

In February 2011, conflict in Libya led to a massive operation to evacuate Chinese nationals working in construction and other sectors. The ten-day evacuation was the largest in Chinese history: 35,860 nationals. For transport and escort, the People's Liberation Army and Navy (PLA/N) dispatched aircraft and frigates that sailed through the Red Sea and the Suez Canal to the Mediterranean for the first time. A dozen government agencies, nine embassies, commercial airlines and state-owned

enterprises participated in the operation; multiple countries in Europe, the Middle East and North Africa facilitated the transit.

State media hailed the evacuation as “an unprecedented” display of military might, diplomatic leverage, financial prowess and mobilising skills.

The impressive operation inspired national pride but also raised expectations that China would protect its citizens elsewhere. Later, this would be cited as a factor justifying intervention in South Sudan.

The Libya evacuation also exposed the limits of China’s ability to protect its investments. Although its citizens were brought home safely,

Chinese infrastructure projects worth over \$18.8 billion were damaged by fighting, NATO airstrikes, looting and vandalism. Oil imports from Libya to China fell from 150,000 barrels per day in 2010 to just 19,000 by 2014. Beijing, like many other countries, was convinced that NATO’s Libya campaign exceeded the UN Security Council’s authorisation (which passed with China’s abstention) and resulted in regime change “without any legal or institutional proceedings”.

Libya focused the attention of Chinese foreign policy decision-makers and thinkers and sharpened the debate on the contours of non-interference. Many began to argue that China needed to engage actively in global security affairs to prevent such chaos from arising in the first place and to shape outcomes.

III. South Sudan: The Pilot Project

South Sudan’s civil war began in December 2013 with fighting and ethnically-targeted killings in the capital, Juba.

Violence soon spread across the country. Rebels with the Sudan People's Liberation Movement/Army – In Opposition (SPLM/A-IO) targeted and destroyed some oil infrastructure and killed South Sudanese workers on Chinese-owned oil facilities. Chinese workers were evacuated in emergency conditions.

The Horn of Africa regional body, the Intergovernmental Authority on Development (IGAD), immediately launched mediation efforts between the government and the rebels in an attempt to stop the war and prevent neighbouring states from being pulled into a regional conflict. Both China and Western states backed these efforts. IGAD's chief mediator, Seyoum Mesfin, a former Ethiopian foreign minister and ambassador to China, provided Beijing a known and credible entry into the mediation. China's interests in South Sudan and strong relations with the regional mediators made South Sudan an ideal testing ground for Beijing's increasingly nuanced approach to non-interference.

A. Chinese Interests on the Ground

Although South Sudan accounts for only 2 to 5 per cent of China's annual oil imports, oil is front and centre among Beijing's concerns.

While the volume may appear small, its political and geopolitical significance is not.

Sudan was the Chinese oil industry's first overseas success and retains symbolic importance. It was there that China's oil corporation and its subsidiaries cut their teeth on international operations, proved their mettle and gained operational experience.

The China National Petroleum Corporation (CNPC) also demonstrated its ability to enhance China's energy security, winning Beijing's support for further expansion. As oil prices soared between 1998 and 2003, output from Sudan "contributed significantly to the company's growth". The Khartoum refinery became a frequent stop for visiting Chinese government and party officials.

After the 2005 peace agreement, when it appeared likely South Sudan would gain independence, CNPC deepened its engagement with Juba – at first secretly, for fear of offending Khartoum.

But CNPC and its partners found building relations with South Sudan challenging. Juba drove a hard bargain when it came to restructuring contracts and the volatile political environment undercut production. As noted, the government shut down operations in January 2012 over deadlocked talks with Sudan on oil transit fees. Boom-time was over and the immediate loss of almost all government revenue was partially covered through loans taken against future oil production whose cost continues to be paid.

South Sudan's economic downturn had begun.

Although oil flow resumed in April 2013, the civil war that broke out in December shut down production in three fields in Unity state (the larger Upper Nile state fields remained operational).

The global decline in oil prices in 2014, combined with the war, presented a dual challenge for the oil companies. In January and February 2016, when benchmark crude oil prices dipped to lows below \$30 per barrel, CNPC lost nearly \$2 million a day, although it still is banking on South Sudan stabilising and oil prices have since increased.

Although CNPC officials routinely downplay the company's influence on Beijing's decision-making, executives of national oil majors are prominent members of the elite decision-making class. The Communist Party's Central Organisation Department appoints these top executives, who typically hold vice ministerial rank. It is not uncommon for oil company executives to ascend to prominent political positions.

Although CNPC is primarily a profit-seeking corporation, it can be called upon by the party to fulfil policy or political goals such as employment and diplomacy. Diplomats said CNPC was asked to absorb the loss and stay put in South Sudan. The company in turn sought and expected protection from the Chinese state.

“Operational costs, with cheap rent and labour, were low and profit margins were as high as 50 per cent before the current economic crisis.

Oil companies were not alone in investing in South Sudan. Other companies followed suit, accompanied by Chinese loans.

Bilateral trade reached \$534 million in 2012; by 2013, roughly 100 Chinese companies were registered in South Sudan, covering energy, engineering, construction, telecommunications, medical services, hotels, restaurants, and retail. Some saw South Sudan as a “paradise for investors”: a country rich in oil income, with huge infrastructure needs, nearly no industry and no Western competition. Operational costs, with cheap rent and labour, were low and profit margins were as high as 50 per cent before the current economic crisis.

Yet risks also are plentiful. Beyond war and political instability, robberies, kidnapping and petty crime threaten property and personal safety. Both government and rebel groups have sought

to protect Chinese businesspeople and infrastructure, expecting (and sometimes receiving) financial benefits in exchange.

But the government, which has been running a deficit and mortgaging future oil revenue since 2012, is chronically delinquent on contractual and loan payments. Investors are therefore increasingly hesitant to make substantial investments.

B. A Pilot Project for Diplomacy

When civil war broke out in December 2013, CNPC evacuated many employees on company airplanes. Other Chinese citizens fled via self-organised caravans. Although not specifically targeted, Chinese retail shops and restaurants were looted or burned down in the fighting.

Chinese officials debated whether to leave or stay with lessons from Libya fresh in their minds. Another withdrawal would mean leaving oil fields and other investments behind, likely to be damaged by war; it also would mean forfeiting economic and political leverage to influence events.

Diplomats said Beijing was also driven by “a sense of responsibility” to preserve South Sudan’s economic future, which lives or dies with the oil industry.

Zhong Jianhua, who replaced Liu as special representative on African affairs in 2012, arrived in Nairobi as IGAD launched its mediation process. In response to IGAD’s request for China’s engagement, Beijing stepped up its involvement. Between 2014 and the signing of a peace agreement in August 2015, China was consistently engaged and supportive of the mediation process.

For Beijing, South Sudan became a real-world laboratory to test the boundaries of its non-interference principle. It did so in

what, domestically, was a relatively less contentious arena: unlike conflicts and disputes in Asia, Africa seldom falls under Beijing's domestic media spotlight or becomes the subject of nationalist passion. A Chinese scholar on African affairs said:

“China can afford to stomach the cost of trial-and-error of new approaches in Africa. China hopes to form “Chinese solutions”. In comparison, Myanmar and the South China Sea are much more sensitive and mistakes there are much more costly to China.

As a result, the foreign ministry's Africa Department has more room to manoeuvre, undertake policy initiatives and delegate authority and influence to the field.

Diplomats in Juba and Addis Ababa were ready to engage with the South Sudan mediation, which one diplomat described as “a pilot project for Chinese diplomacy”. It was expected that this experience would shape the debate in Beijing about non-interference and thus contribute to formulating “Chinese solutions”.

IV. China in Action

The government sees itself as a newcomer to conflict resolution, and is viewed as such by partners. Though vaguely defined and still evolving, an outline of what “Chinese solutions” might look like is beginning to emerge from its engagement with South Sudan.

A. Chinese Solutions

1. Setting the table, not forcing outcomes

China appears most comfortable in the role of a table-setter, leveraging its political and economic influence to bring parties together. Its flexibility in providing aid has helped ensure the

quick release of small in-kind donations covering transportation and accommodation for participants in negotiations.

But Beijing, is only slowly becoming comfortable with directly setting agendas, proposing terms in agreements or drafting documents – and even then tends to do so behind the scenes.

Beijing displayed such table-setting to good effect in January 2015 when Sudan-South Sudan relations were strained over support for one another's rebels.

Leveraging its longstanding ties with the Sudanese government, Beijing sent Foreign Minister Wang Yi to convene a “special consultation meeting” in Khartoum that included South Sudan's warring parties, Ethiopia, Sudan and IGAD.

Zhong Jianhua, then special representative of the Chinese government on African affairs said:

“We hoped to help elevate Sudan's international status. Choosing Khartoum gave the Sudanese government considerable recognition and encouragement. We acknowledged Sudan's role in addressing the conflict and believed that it should play an important role. Sudan very much welcomed the decision and felt that we paid enough respect by making it the host.

The meeting did not produce concrete resolutions, but Beijing secured renewed commitments to oil infrastructure security, melding its economic interests with those of Sudan and South Sudan. It “put Sudan and South Sudan on notice ... China sent a message to the Sudanese government that supporting conflict in South Sudan would go against Chinese interests. Western countries were not in a position to do so”.

The event also “made IGAD refocus its attention and added new momentum to the peace process”.

Chinese influence encouraged Khartoum to exercise restraint in South Sudan, which also helped set the Sudanese government up in 2016 for its negotiations over sanctions relief from Washington, which was counselling the same approach.

Beijing considered this a “ground-breaking” initiative. “It was the first time that we called upon leaders of countries in the region to discuss conflict resolution in another country”.

Western and African partners increasingly have urged Beijing to take on more responsibility, given its permanent seat on the UN Security Council and leverage over parties concerned. According to one UN official: “It can punch way more weight ... China can put its foot down on deadlines. It can be tougher. It can insist on implementation”.

2. Chinese interests as global interests

China was as surprised as the rest of the world when the civil war began, and scrambled to secure its oil infrastructure in the volatile Greater Upper Nile region. Some installations were destroyed in the first weeks of the war and opposition forces threatened to attack and destroy others.

China hedged between the government and SPLM/A-IO (the rebel grouping negotiating with the government), providing financial and other support to both parties conditioned upon their guaranteeing the security of oil infrastructure or, in the case of the rebels, not attacking it. Beijing may have overestimated the SPLM/A-IO’s capabilities after the first few months of war; it was in the rebels’ interests to overstate their ability to threaten the fields, a case they continue to make.

China, alongside most of the international community, also overestimated SPLM/A-IO leader Riek Machar's command and control over the forces operating in his name. When Johnson Olony, a rebel turned government general in 2013, defected (again) to the opposition in 2015, his first act was to march on the oil fields – flouting Machar's agreement with the Chinese.

His forces briefly captured Melut town and were poised to launch an offensive on the well-defended Palioch oil fields nearby. Chinese and Western diplomats rushed to avoid an oil shutdown amid calls to pull out foreign workers.

In the end, Olony's forces were turned back by South Sudanese government forces. But the incident demonstrated the limits of China's arrangement with Machar.

The wider international community supported China's efforts to protect oil infrastructure; few could envision war-ravaged South Sudan rebuilding without oil revenue.

However, China was the only actor prepared to provide direct help to keep the oil flowing. Quiet understandings with both the government and rebels offered China the prospect of benefits beyond wartime security – good relations with Juba and, on the ground, with the leadership of oil-producing states that former rebels would have governed had the peace agreement been fully implemented.

3. African solutions to African problems

China has called for “African solutions to African problems”, an approach that gives Beijing's policy considerable room to evolve.

In South Sudan, it insists on IGAD's lead role and is reluctant to reach for the reins even when the process falters. "We have to let local people decide their own fate, even though they might end up with nothing", said a senior diplomat. It also can be swayed by African endorsements. In May 2011, following fighting in Abyei, a region disputed between Sudan and South Sudan, an African Union (AU) Peace and Security Council communiqué helped put an end to Beijing's resistance to the idea of intervention by external actors. China subsequently voted at the Security Council in June to authorise peacekeepers for Abyei.

Western diplomats found that the most effective way to win China's (and Russia's) approval of – or acquiescence to – Africa-related UN Security Council resolutions is to obtain backing from the body's African members.

When African council members are divided, for instance over whether to support an arms embargo for South Sudan, China has urged the bloc to find a common position it can support.

That said, there are signs China's approach is evolving. As it becomes more familiar with, and invested in, international peace and security mechanisms, it has begun to try to shape regional positions behind the scenes rather than passively follow them. This has been most notable with respect to Sudan and South Sudan.

4. Persuasion not punishment

China typically resists sanctions, shuns open criticism and prefers behind-the-scene persuasion. Itself once a target of sanctions, Beijing retains an ideological aversion to them, seeing them as instruments of Western coercion.

It also argues sanctions rarely achieve the intended effect and often backfire.

In practice, however, China has often adopted a more nuanced approach.

When sanctions are discussed, China occasionally mediates between the government and Western powers. “The Troika often raised the threat of sanctions”, a Chinese diplomat recounted, “China would play the role of ‘good cop’ to ease tensions”, urging patience from Western partners while counselling the targeted party to make concessions.

Functioning as messenger rather than enforcer allows Beijing to leverage its political influence without risking it. China has used this approach on several occasions in recent years, including in efforts to secure the release of some of the thirteen senior SPLM members Kiir arrested and accused of plotting a coup in 2013.

On 3 April 2014, with four still in custody (and as war and atrocities continued) the U.S. announced a sanctions regime on South Sudan.

Chinese diplomats subsequently met with senior South Sudanese officials, including Kiir, advising flexibility and pragmatism rather than “taking the West head-on”. Juba announced the remaining detainees’ release on 25 April “to promote peace and reconciliation”. Although the U.S. imposed individual sanctions the following month due to alleged involvement in atrocities and for undermining peace negotiations, they targeted lower ranking individuals than initially envisaged.

China’s somewhat ambivalent relationship to sanctions is evidenced by its record at the Security Council. On 3 March,

China voted in favour of a U.S.-sponsored resolution laying the groundwork for targeted sanctions in advance of a 5 March peace process deadline.

Initially, China objected, due to ongoing negotiations, but it ultimately voted in favour, to “send a unified message”. Subsequently activists called for sanctioning both Kiir and Machar. In talks with the U.S., Beijing agreed not to block Washington’s efforts to sanction moderately high-ranking commanders in July 2015 in return for taking more senior officials off the sanctions list. This allowed Beijing to both stand with the international community and mollify Juba. Before the vote, South Sudan’s Vice President James Wani relayed Kiir’s “high regards and sincere gratitude” for Beijing’s “objective stance” to the Chinese ambassador.

The flexibility also reflects back-and-forth between the capital, more concerned about principles, and the field, more preoccupied with influencing developments on the ground. With intimate knowledge of the conflict, peace process and parties involved and influenced by daily interactions with other international players, frontline diplomats may see the utility of sanctions. “Sometimes in order to have the process moving, you need to show teeth. Ultimately you need some leverage”.

While never quite identical, the diplomats’ views also began to converge with those of counterparts in Beijing in seeing sanctions, or their threat, “as leverage to influence future behaviour instead of punishment for past behaviour”.

5. Development-focused governance vs. liberal democratic governance

Beijing generally sees underdevelopment as the root cause of instability and believes its governance model better suited to cure this than Western democracy.

As one diplomat said: “People don’t have enough to eat. Most are illiterate. Does Western democracy really work [in South Sudan]?” Some Chinese analysts believe the West places “too much emphasis” on “procedural legitimacy” at the cost of stability, which they argue requires a strong regime, especially in nation-building’s early stage.

China believes its own post-Mao model of governance and development – a hybrid of planned and market economy under one-party rule – fits the Horn of Africa and is more appealing than Western democracy.

As one scholar put it, African nations (or at least their leaders) are attracted to the Communist Party’s ability to make decisions, mobilise resources and speedily launch ambitious endeavours thanks to its concentration of power and absence of effective dissent.

Rather than pushing its model, Beijing soft-sells it. An official said: “We don’t have slogans like the West does. We only share experiences”.

Between 2010 and 2013, the Communist Party organised workshops for senior SPLM cadres in Juba and Beijing on topics including poverty alleviation, social and economic development, public opinion guidance and party-building. The embassy also “explained China’s governance principle and practice” to South Sudanese officials.

B. China’s Assets

Chinese diplomats and African officials also say Beijing has gained the trust of parties because it is seen as the most neutral among mediators.

Its interests are clear and, rather than pushing particular paths, it is more focused on the end state of peace and economic stability. Beijing assiduously avoids the appearance of taking sides, shuns public denunciation and is reluctant to resort to pressure or punishment. As its primary concern appears to be protecting its commercial interests, maintaining amicable relations with all sides constitutes a hedge against risks: “keeping a low profile” helps ensure it “makes no enemies”.

Moreover, loans and assistance typically come with no strings attached, which governments see as welcome alternatives to Western donations that are tied to human rights conditions or governance standards.

There are historical affinities as well. China shares with many African countries “painful memories” of humiliation and oppression by Western power a similarity that both helps guide Beijing’s approach and appeals to its African counterparts. All in all, this combination of factors provides Chinese diplomats with access to important players, access often appreciated by its Western partners, who are frustrated and concerned about their own lack of leverage.

“Even as it deepened ties with Juba, Beijing maintained close relations with Khartoum. Its access to both sides was valuable to the IGAD mediation.

South Sudan is a case in point. Initially, its leaders viewed Beijing with suspicion and resentment due to its support for Khartoum. However, after the 2005 peace agreement, pragmatism drove both Beijing and Juba to establish and solidify political, economic and party ties. Kiir visited Beijing in 2005 and 2007. Even as it deepened ties with Juba, Beijing maintained close relations with Khartoum. Its access to both sides was valuable to the IGAD mediation.

1. Economic leverage

Oil accounts for almost all South Sudan's exports.

The consortium led by China's oil corporation accounts for most of the investment in its oil industry; its withdrawal would render it impossible to maintain production levels and could prompt a collapse of the formal economy. Therefore, Beijing's message to Juba was relatively clear-cut, "if you want us to stay, you have to keep us safe In the short run, you must ask the troops to safeguard our oil fields. In the long run, you have to stop fighting and implement the ceasefire".

Beijing delivered a similar message to the opposition, and secured an unwritten promise that it would not attack the oil fields.

China's National Petroleum Corporation "at the Chinese government's behest" continued production and, at some points, paid Juba higher-than-market prices, even when running a loss.

In the same spirit, Beijing leveraged its loan policy. Before the civil war, the Ex-Im Bank had pledged loans and credit for at least three projects; it subsequently held off from disbursing the money because of the conflict and related economic challenges.

Other loans and investments also are on hold. China insists that: "Without peace, our money would go down the drain".

Ultimately, Beijing's economic clout translates into political influence, and both Juba and the opposition have learned to respect China's interests and messaging.

This extends to Khartoum, according to one UN official: "Whatever China said was listened to very carefully [by] both Sudan and South Sudan".

2. Humanitarian assistance

Beijing has skilfully tailored the timing and manner of delivery of modest donations to produce maximum impact. Since the outbreak of civil war, China has provided at least \$49 million in humanitarian assistance, with \$10 million going to the World Food Programme (WFP), other in-kind aid and occasionally as emergency cash.

While comparatively small, assistance tends to be free from restrictive regulations, conditionality, or domestic media scrutiny, affording Beijing flexibility and manoeuvring room that OECD Development Assistance Committee member states typically lack; by the same token, China can be more responsive to Juba's requests. For example, China provided food, shelter and water for the temporary SPLA-IO military assembly areas used when its members returned to Juba to form the transitional government. It worked in coordination with Western countries that could not provide such assistance to a military encampment but could transport soldiers to Juba. "The embassy drew a list of things needed worth about \$1 million. We built prefabricated houses, provided generators, mosquito nets ... [which were] in place just in time for the return of the 1,300 soldiers".

Juba has been more likely to listen to China – which has turned a blind eye to human rights violations – than to Western countries, whose relationships with the government dramatically deteriorated in recent years. This appears to have been the case with regards to ensuring continued humanitarian access; access to rebel-held areas. The Chinese ambassador secured Juba's consent for China to support UN WFP operations and its agreement to the WFP's sensitive cross-line food deliveries to rebel-held areas. A Chinese diplomat said:

“I went to talk with the foreign minister and the minister of humanitarian affairs. I told them that China was going to give the government \$8 million in humanitarian assistance. I also said we can’t neglect people in the three northern states and that China wanted to provide them \$5 million of food assistance.

C. China’s Limitations

1. Experience and capability

Compared with its Western counterparts, the Chinese foreign ministry is only in the early stages of building institutional infrastructure, acquiring expertise and establishing its authority on matters related to conflict resolution. “The British and French have been here more than 100 years. We are learning. For many years we were very careful and only interested in economic and trade issues” said a senior diplomat in Addis Ababa.

Beijing also is handicapped by a shortage of field capacity. Embassies across Africa face a dramatic increase in their workload as the number of nationals and companies grows, but without a concomitant increase in staff or resources.

When the civil war broke out in 2013, the Chinese embassy in Juba had about twenty staff, compared with about 300 American and local employees in the U.S. embassy. Supporting South Sudan’s peace efforts placed additional demands on the mission, but it was not given supplementary resources. The Chinese special envoy does not have a dedicated support team; instead, he relies on desk officers at the Western Asia and North Africa Department when in Beijing, and on embassies while in the field.

2. Expertise

Chinese diplomats also suffer from a relative paucity of first-hand information. The foreign ministry is one of the very few reservoirs of expertise and field intelligence, yet positions in Africa are less coveted than those in Europe or North America, resulting in a comparatively shallow bench for talent. Diplomats rarely have the freedom, time or authority, to go on fact-finding trips.

Nor does China possess a network of field-based NGOs to complement diplomats' knowledge. Western NGOs on the ground are often nervous about engaging China, fearful that sensitive information could be passed on to Juba (a concern many also express about IGAD member states).

Outside the foreign ministry, conflict resolution is a nascent discipline and country-specific expertise remains underdeveloped. Although African studies has gained prominence in recent years in think-tanks, most are state-affiliated and the field is underfunded and overlooked compared with U.S.-China relations or hot-button issues in Asia. African studies have tended to focus on broad cross-cutting subjects, rather than country-specific analysis. Moreover, field research by scholars faces both funding constraints and bureaucratic hurdles – a trip abroad of more than five days requires special approval.

“China has increasing political will but feels constrained It doesn't have many experts who truly understand South Sudan. The reservoir of expertise in China is small”.

3. The costs of peacemaking

China has paid a price – both economic and in terms of human lives – as a result of its greater role in peacemaking in South Sudan. In 2014, a \$38 million, multi-year arms contract

between the South Sudanese government and the China North Industries Corporation (NORINCO) was made public.

Senior diplomats said the contract was signed before the war began and that NORINCO, although a state-owned enterprise, was seeking profit rather than advancing any state agenda. The embarrassment caused by the publicity led China to halt the remainder of the contract on grounds it was “inappropriate”.

It was the first public indication that China was willing to sacrifice economic gains – in this case a relatively small contract – in the interest of its peacemaker role. Whether this becomes more standard policy remains to be seen.

China’s peacekeeping role also has security implications. Following rushed evacuations and fearful for its workers’ safety, China included protection of workers on oil installations in the UN peacekeeping mission’s mandate in 2014.

Backing this up with action, China deployed its first-ever peacekeeping infantry battalion to South Sudan in January 2015. But when fighting broke out in Juba in July 2016, Chinese peacekeepers were caught in the crossfire. Five were wounded and two eventually died. The deaths shocked the nation and the soldiers were publicly mourned. Nonetheless, Beijing subsequently reaffirmed its growing commitment to multidimensional peacekeeping operations. China is expanding the peacekeeping categories in which it is deploying troops and making multi-year commitments to seven missions. It also is exploring how it can further develop its role and has set up a task force supported by the \$1 billion UN Peace and Development Fund that President Xi announced in September 2015.

V. Road Ahead: Collaboration and Competition

China and the West have largely worked collaboratively on South Sudan and their approaches broadly have complemented each other – providing a model for future cooperation. Beijing’s softer, more private forms of persuasion benefit from the contrast with the Troika’s (the U.S., UK and Norway) harder line. Both Chinese and U.S. diplomats express optimism regarding prospects for coordinated and complementary efforts and are in close contact. Yet overarching U.S.-China tensions colour this engagement and IGAD and its member states must also ensure they do not get dragged into geopolitical rivalries that could undermine their peace efforts.

A. Different Approaches on Economic Issues

Coordination likely will prove more challenging on questions of governance and accountability, and collaboration will coexist with competition. On economic issues, challenge likely will intensify as South Sudan faces a politically-induced economic crisis (prolonged instability has cut oil production by nearly half; international oil prices have fallen; the country experiences hyper-inflation; and corruption is rife)

and needs budget support to cover a \$300 million fiscal gap in FY 2016-17. Western donors seek to leverage Juba’s requirement for a fiscal bailout to extract commitments to economic reform and fiscal responsibility. While Western nations insist any rescue package “will come with extremely intrusive demands” (which Juba rejects), Beijing is uncomfortable with what it deems direct interference in South Sudan’s domestic affairs and demurs on demanding fiscal transparency. For now, China generally has hewed the Western line, echoing the IMF’s advice to the government and refrained from pledging more credit or loans.

But some Western countries fear China could unilaterally help Juba, weakening their leverage.

B. Strategic Cooperation on Political and Security Issues

On political and security issues, China prefers to work through regional actors rather than directly with the West. That is the case with South Sudan's Joint Monitoring and Evaluation Committee (JMEC), for instance, which oversees the peace agreement and embodies "three-party [China-Africa-West] cooperation under a multilateral framework" that Beijing feels "comfortable with".

A Chinese representative is present at JMEC meetings, but "only listens", one African diplomat noted. At the same time, China has calibrated its contribution to maintain sway, providing financial and material support, and ensuring Chinese personnel are in influential positions.

Mechanisms like JMEC allow China to justify a form of intervention under the mantra of "African solutions for African problems". It likely will continue insisting on IGAD's lead role, even as Western diplomats express doubt about the regional grouping's commitment.

This approach enables China to both secure its influence within boundaries acceptable to its African partners and cooperate with the U.S. While this offers prospects for cooperation, it also carries the risk that South Sudan could suffer from any broader deterioration in U.S.-China relations.

VI. Conclusion: Engagement with Chinese Characteristics

Although China remains largely risk-averse, the degree of its involvement in South Sudan would have been "beyond imagination" even a few years ago.

Chinese interests, but also between China's approach and values and those espoused by the West. At a minimum, Beijing will need more sophisticated expertise on peace and security issues, including peacebuilding and complex emergencies. China has a ready-made rationale and means for doing so – its increased engagement in UN peacekeeping as well as the China-UN Peace and Development Trust Fund, which could be accompanied by funding for more training, research and international exchange opportunities for Chinese practitioners and scholars.

China increasingly is being called upon to act, perhaps more than it would like. South Sudan is a first test case and, so far, it has illustrated a simple point: that, by working together and melding their at times distinct approaches, China and the West can form a more effective force for stability than either could separately.

Beijing/Nairobi/Juba/Brussels, 10 July 2017

Appendix A: Map of South Sudan

Map of South Sudan. International Crisis Group/KO, July 2017.